

<i>SERFF Tracking Number:</i>	<i>BEAC-125311934</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>The Employers' Fire Insurance Company, ...</i>	<i>State Tracking Number:</i>	<i>AR-PC-07-026358</i>
<i>Company Tracking Number:</i>	<i>2007-PL-AR-RR-487</i>		
<i>TOI:</i>	<i>17.0 Other Liability - Claims Made/Occurrence</i>	<i>Sub-TOI:</i>	<i>17.0000 Other Liability Sub-TOI Combinations</i>
<i>Product Name:</i>	<i>@vantage For - Government Risk Solutions</i>		
<i>Project Name/Number:</i>	<i>@vantage For - Professional Liability/2007-PL-AR-RR-487</i>		

Filing at a Glance

Companies: The Employers' Fire Insurance Company, OneBeacon America Insurance Company

Product Name: @vantage For - Government SERFF Tr Num: BEAC-125311934 State: Arkansas

Risk Solutions

TOI: 17.0 Other Liability - Claims SERFF Status: Closed State Tr Num: AR-PC-07-026358

Made/Occurrence

Sub-TOI: 17.0000 Other Liability Sub-TOI Co Tr Num: 2007-PL-AR-RR-487 State Status:

Combinations

Filing Type: Rule Co Status: Reviewer(s): Betty Montesi, Edith

Roberts, Brittany Yielding

Author: Sharon Kennedy

Disposition Date: 10/18/2007

Date Submitted: 10/05/2007

Disposition Status: Filed

Effective Date Requested (New): 12/05/2007

Effective Date (New):

Effective Date Requested (Renewal): 12/05/2007

Effective Date (Renewal):

General Information

Project Name: @vantage For - Professional Liability

Status of Filing in Domicile:

Project Number: 2007-PL-AR-RR-487

Domicile Status Comments:

Reference Organization:

Reference Number:

Reference Title:

Advisory Org. Circular:

Filing Status Changed: 10/18/2007

State Status Changed: 10/08/2007

Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

In accordance with the filing provisions in your state, we submit for your review the enclosed rates and rules, to add the following new supplements to our currently-approved OneBeacon @vantage program.

- @vantage for Policies – GRS Supplement – General Liability
- @vantage for Policies – GRS Supplement – Law Enforcement Liability
- @vantage for Policies – GRS Supplement – Public Officials Liability
- @vantage for Policies – GRS Supplement – Excess Liability

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This comprises one in a series of rating rule filings made this date to add the following new supplements to our currently-approved OneBeacon @vantage program. All of these filings arise from a desire to offer new products in the state, to be marketed to towns, counties, and other government or public entities. These filings are not intended to amend our previously approved @vantage filings for other lines. These products are designed to be sold in conjunction with the Auto, Property, Crime, and Inland Marine elements already available within @vantage.

This filing addresses the @vantage for Policies – GRS Supplement – Law Enforcement Liability and Public Officials Liability. Law Enforcement Liability is a proprietary product geared to address the unique liability risks faced by law enforcement agencies. Public Officials Liability is a proprietary product geared to address the unique liability risks faced by elected and management officials associated with government agencies. Previously-approved professional liability rates, rules, and forms for nongovernment entities are not impacted by this filing . The other supplements are being submitted under separate cover.

Rates and rating factors proposed for the supplement are based on information obtained from competitors' filings and actuarial and underwriting judgment. We believe them to be adequate, not excessive, and not unfairly discriminatory. The forms and endorsements applicable to these programs are being submitted under separate cover and identified by company filing number 2007-PL-AR-FO-486.

We propose an effective date of 5 December 2007 for this supplement.

Company and Contact

Filing Contact Information

Sharon Kennedy, Compliance Analyst	skennedy@onebeacon.com
One Beacon Lane	(781) 332-8190 [Phone]
Canton, MA 02021-1030	(888) 209-7219[FAX]

Filing Company Information

The Employers' Fire Insurance Company	CoCode: 20648	State of Domicile: Massachusetts
One Beacon Lane	Group Code: 1129	Company Type:
Canton, MA 02021-1030	Group Name:	State ID Number:

SERFF Tracking Number: BEAC-125311934 State: Arkansas
First Filing Company: The Employers' Fire Insurance Company, ... State Tracking Number: AR-PC-07-026358
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Product Name: @vantage For - Government Risk Solutions
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(781) 332-7000 ext. [Phone]

FEIN Number: 04-1288420

OneBeacon America Insurance Company

CoCode: 20621

State of Domicile: Massachusetts

One Beacon Lane

Group Code: 1129

Company Type:

Canton, MA 02021-1030

Group Name:

State ID Number:

(781) 332-7000 ext. [Phone]

FEIN Number: 04-2475442

SERFF Tracking Number: *BEAC-125311934* *State:* *Arkansas*
First Filing Company: *The Employers' Fire Insurance Company, ...* *State Tracking Number:* *AR-PC-07-026358*
Company Tracking Number: *2007-PL-AR-RR-487*
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Filing Fees

Fee Required? Yes
Fee Amount: \$100.00
Retaliatory? No
Fee Explanation: AR rate/rule filing fee = \$100.00
Per Company: No

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Filed	Edith Roberts	10/18/2007	10/18/2007

SERFF Tracking Number: BEAC-125311934 State: Arkansas
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Disposition

Disposition Date: 10/18/2007

Effective Date (New):

Effective Date (Renewal):

Status: Filed

Comment:

Rate data does NOT apply to filing.

Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	0

SERFF Tracking Number: BEAC-125311934 State: Arkansas

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TOI: 17.0 Other Liability - Claims Made/Occurrence Sub-TOI: 17.0000 Other Liability Sub-TOI Combinations

Product Name: @vantage For - Government Risk Solutions

Project Name/Number: @vantage For - Professional Liability/2007-PL-AR-RR-487

Item Type	Item Name	Item Status	Public Access
Rate	Government Risk Solutions Professional Liability Supplement - Law Enforcement Liability	Filed	Yes
Rate	Government Risk Solutions Professional Liability Supplement - Public Officials Liability	Filed	Yes

<i>SERFF Tracking Number:</i>	<i>BEAC-125311934</i>	<i>State:</i>	<i>Arkansas</i>
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Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number: BEAC-125311934 State: Arkansas

First Filing Company: The Employers' Fire Insurance Company, ... State Tracking Number: AR-PC-07-026358

Company Tracking Number: 2007-PL-AR-RR-487

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Project Name/Number: @vantage For - Professional Liability/2007-PL-AR-RR-487

Rate/Rule Schedule

Review Status:	Exhibit Name:	Rule # or Page #:	Rate Action	Previous State Filing Attachments Number:
Filed	Government Risk Solutions Professional Liability Supplement - Law Enforcement Liability	@V4GRSLE-AR New (5 pages)		Law Enforcement -- Arkansas @ 2007-09-11am (mda).pdf
Filed	Government Risk Solutions Professional Liability Supplement - Public Officials Liability	@V4GRSPO-ARNew (10 pages)		Public Officials -- Arkansas @ 2007-09-11am (mda).pdf

COMMERCIAL LINES MANUAL
@vantage For POLICIES
PROFESSIONAL LIABILITY COVERAGE DIVISION – GRS SUPPLEMENT

GOVERNMENT RISK SOLUTIONS PROFESSIONAL LIABILITY SUPPLEMENT
LAW ENFORCEMENT LIABILITY

A. Introduction

The Law Enforcement Liability Coverage Forms provide coverage against claims for wrongful acts arising in the course of law enforcement activity.

B. Coverage Forms

Four Law Enforcement Liability Coverage Forms are available:

GRSLE101 Occurrence Coverage with a Liability Deductible Option
 GRSLE102 Claims-made Coverage with a Liability Deductible Option
 GRSLE101R Occurrence Coverage with Self-Insured Retention Option
 GRSLE102R Claims-made Coverage with Self-Insured Retention Option

For details of coverage, refer to coverage forms.

C. The following annual premiums apply for Law Enforcement Wrongful Acts:

Basic Limits:

\$1,000,000 Each Law Enforcement Wrongful Act

\$1,000,000 Aggregate

(1) Law Enforcement Liability rates:

Territory 031 includes the State of Arkansas.

Class	Territory 031		Rating Basis
	Occur- rence	Claims- Made	
Full-time Officer, armed, full-arrest authority	1200	1080	per officer
Part-time Officer, armed, full-arrest authority	600	540	per officer
Full or Part-time Officer, unarmed, limited authority	300	270	per officer
Administrative	150	135	per employee
Police Dogs	1200	1080	per dog
Detention or Holding Area	225	203	per 1,000 square feet

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PROFESSIONAL LIABILITY COVERAGE DIVISION – GRS SUPPLEMENT

(2) Law Enforcement Service Type Factors:

Population Served	City, Town, Township, Village, Borough	County	Special District
0 to 10,000	0.650	0.650	1.000
10,001 to 25,000	0.650	0.650	1.000
25,001 to 50,000	1.000	0.650	1.000
>50,000	1.000	1.000	1.000

(3) Increased Limits Factors:

Each Wrongful Act	Policy Aggregate \$1,000,000	Policy Aggregate \$2,000,000	Policy Aggregate \$3,000,000	Policy Aggregate \$4,000,000	Policy Aggregate \$5,000,000
\$300,000	0.836				
\$500,000	0.928				
\$1,000,000	1.000	1.016	1.024	1.032	1.040
\$2,000,000		1.155	1.163	1.171	1.179
\$3,000,000			1.235	1.243	1.251
\$4,000,000				1.300	1.308
\$5,000,000					1.355

Factors for any limit not shown may be interpolated using industry standard methods.
 Factors for limits above \$5,000,000 are refer to company.

(4) Deductible Credit Factors (Forms GRSLE101 and GRSLE102 only):

Wrongful Act Deductible Amount	Loss & Loss Expense	Loss Only (Requires Endorsement GRSLE402)
0	-0.150	-0.150
\$5,000	0.000	-0.039
\$10,000	0.078	0.000
\$15,000	0.118	0.019
\$20,000	0.173	0.045
\$25,000	0.244	0.078
>\$25,000	Refer to Company	Refer to Company

Factors for any deductible not shown may be interpolated using industry standard methods.

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Factors for deductibles in excess of \$25,000 and aggregate deductibles are determined on an individual risk basis as mutually agreed upon between insured and company. Premium determination will be based on individual account loss experience, catastrophic loss potential, and other risk features or exposures that need to be considered to develop a premium that is fair, adequate and not excessive for the individual insured.

(5) Self-Insured Retention Factors (Forms GRSLE101R and GRSLE102R only):

Law Enforcement Wrongful Act Retention Amount	
= or > \$50,000	Refer to Company

All Self-Insured Retention factors and factors for Aggregate Self-Insured Retentions are determined on an individual risk basis as mutually agreed upon between insured and company. Premium determination will be based on individual account loss experience, catastrophic loss potential, and other risk features or exposures that need to be considered to develop a premium that is fair, adequate and not excessive for the individual insured. The minimum Self-Insured Retention Amount is \$50,000.

(6) Claims-made factors: Apply only to Coverage Forms GRSLE102 and GRSLE102R

Years in Claims-made	Factor
1	0.85
2	0.90
3	0.95
4 or more	1.00

(7) Law Enforcement Liability Manual Premium

Total Manual Premium = C(1) × C(2) × [C(3) - (C(4) or C(5))] × (C(6) if applicable)

(8) Schedule Rating Modification Factor

See separate schedule rating plan

(9) Total Annual Law Enforcement Liability Premium = C(7) × C(8)

Premium in **(9)** may be reduced when commission for a particular risk is lower than contemplated in our base rates. Under such circumstances, the premium shall be multiplied by $(1 - \text{standard commission}) \div (1 - \text{granted commission})$.

(10) Premium in (9) subject to the following minimum premium: \$1,000

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(Note: minimum premium is subject to pro-rating for other than annual policy terms)

(11) An extended reporting period endorsement (GRSLE401) will be offered in the following situations:

- (a)** In the event we reduce coverage in any way on a claims-made policy.
- (b)** In the event of cancellation or non-renewal of a claims-made policy.

Two (2) Year Extended Reporting Period: 50% to 100% of expiring annual premium.
 Five (5) Year Extended Reporting Period: 150% to 200% of expiring annual premium.

D. Large Risks

For eligible large risks, the premium may be determined on an individual risk basis as mutually agreed upon between insured and company. Premium determination will be based on individual account loss experience, catastrophic loss potential, and other risk features or exposures that need to be considered to develop a premium that is fair, adequate and not excessive for the individual insured.

Eligible large risks include those meeting the definition of “Large Commercial Risk” under Arkansas Department of Insurance Bulletin 6-99.

E. Mandatory Endorsements

The following endorsements shall be applied to every policy

- Arkansas Changes Cancellation and Nonrenewal (GRSLEAR01)
- Arkansas Changes Transfer of Rights (GRSLEAR02)
- Arkansas Changes Protection of Immunity (GRSLEAR03)

F. Optional Endorsements

- (1) Exclusion – Sexual Abuse (GRSLE202) – this endorsement may be used to exclude coverage for liability arising out of sexual abuse allegations.
- (2) Exclusion of Specified Items (GRSLE203) – this endorsement is used to exclude coverage for specified items as described in the endorsement.
- (3) Exclusion of Multi-Jurisdictional Task Force Participation (GRSLE204) – this endorsement is used to exclude coverage for management or operation of a multi-jurisdictional task force that is otherwise insured.
- (4) Additional Insured – Designated Person or Organization (GRSLE301) – this endorsement is used to amend the Who Is An Insured provision to include a person or organization as named in the endorsement.

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- (5) Limitation of Coverage to Designated Premises or Operations (GRSLE400) -- this endorsement is used to limit coverage to designated operations or at designated premises when only part of a larger operation is to be insured.
- (6) Supplemental Extended Reporting Period (GRSLE401) - this endorsement is used to schedule extended reporting provisions. Refer to the rating rules for charge.
- (7) Deductible Liability (GRSLE402) – this endorsement is used to provide liability deductibles that apply on a “loss only” basis.

G. LAW ENFORCEMENT LIABILITY SCHEDULE RATING PLAN (55% maximum credit or debit)

CRITERIA	CREDIT %	DEBIT %	RISK CHARACTERISTICS / SOURCE OF INFORMATION
Charter – complex multi-department entities; basic single purpose entities (15% credit to 15% debit)			
Financial Management – chronic deficits or extensive debt financing; dedicated or fee-based funding (15% credit to 15% debit)			
Facilities – extensive public access to insured buildings; limited public use of insured buildings (15% credit to 15% debit)			
Operating Controls – formal programs; inadequate size of controls (20% credit to 20% debit)			
TOTAL			
NET CREDIT OR DEBIT			

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PROFESSIONAL LIABILITY COVERAGE DIVISION – GRS SUPPLEMENT

GOVERNMENT RISK SOLUTIONS PROFESSIONAL LIABILITY SUPPLEMENT
PUBLIC OFFICIALS LIABILITY

A. Introduction

The Public Officials Liability Coverage Forms provide coverage against claims for wrongful acts (Coverage A), employment practices (Coverage B), and employee benefit administration (Coverage C) arising from errors and omissions of public officials. Within a single form, Coverages A, B, & C may be purchased together or individually.

B. Coverage Forms

Four Public Officials Liability Coverage Forms are available:

GRSEO101 Occurrence Coverage with a Liability Deductible Option
GRSEO102 Claims-made Coverage with a Liability Deductible Option
GRSEO101R Occurrence Coverage with Self-Insured Retention Option
GRSEO102R Claims-made Coverage with Self-Insured Retention Option

For details of coverage, refer to coverage forms.

C. Coverage and Rating

(1) Territory Definitions

The following territory definitions apply:

Territory 031 includes the State of Arkansas.

(2) Wrongful Acts (Coverage A)

(a) Basic Limits:

\$1,000,000 Aggregate
\$1,000,000 Each Wrongful Act

(b) The following annual premiums apply for Wrongful Acts (Coverage A):

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PROFESSIONAL LIABILITY COVERAGE DIVISION – GRS SUPPLEMENT

(i) Rating Basis:

Coverage A	Basis	Exposure
Wrongful Acts	Gross Operating Budget - separately classified operations - excluded operations - operations insured elsewhere - “green initiatives” - capital expenditures - debt payments - inter-fund transfers	
	= (1a) Net Operating Budget / 1,000	

“Green initiatives” are expenditures associated with efforts to implement environmental sustainability. Examples of eligible expenditures include community environmental sustainability education, recycling and composting programs, sustainability planning or similar operations undertaken to improve the physical environment. The “green initiatives” expenditure amount is deducted from the Gross Operating Budget. “Green initiatives” deductions may not exceed 10% of the Gross Operating Budget.

(ii) Rates:

Class	Territory 031	
	Wrongful Acts Occurrence	Wrongful Acts Claims-Made
Cities, Towns, Townships, Villages, and Boroughs	0.550	0.519
Counties	0.426	0.402
Special Districts	0.223	0.211

(iii) Increased Limits Factors

Each Wrongful Act	Policy Aggregate \$1,000,000	Policy Aggregate \$2,000,000	Policy Aggregate \$3,000,000	Policy Aggregate \$4,000,000	Policy Aggregate \$5,000,000
\$300,000	0.979				
\$500,000	0.990				
\$1,000,000	1.000	1.014	1.019	1.024	1.029
\$2,000,000		1.035	1.040	1.045	1.050
\$3,000,000			1.053	1.058	1.063
\$4,000,000				1.061	1.066
\$5,000,000					1.070

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Factors for any limit not shown may be interpolated using industry standard methods.
 Factors for limits above \$5,000,000 are refer to company.

(iv) Deductible Factors (Forms GRSEO101 and GRSEO102 only):

Wrongful Act Deductible Amount	Loss & Loss Expense	Loss Only (Requires Endorsement GRSEO403)
0	-0.150	-0.150
\$5,000	0.000	-0.039
\$10,000	0.089	0.011
\$15,000	0.129	0.026
\$20,000	0.184	0.048
\$25,000	0.256	0.090
>\$25,000	Refer to Company	Refer to Company

Factors for any deductible not shown may be interpolated using industry standard methods.

Factors for deductibles in excess of \$25,000 and aggregate deductibles are determined on an individual risk basis as mutually agreed upon between insured and company. Premium determination will be based on individual account loss experience, catastrophic loss potential, and other risk features or exposures that need to be considered to develop a premium that is fair, adequate and not excessive for the individual insured.

(v) Self-Insured Retention Factors (Forms GRSEO101R and GRSEO102R only):

Wrongful Act Retention Amount	
= or > \$50,000	Refer to Company

All Self-Insured Retention factors and factors for Aggregate Self-Insured Retentions are determined on an individual risk basis as mutually agreed upon between insured and company. Premium determination will be based on individual account loss experience, catastrophic loss potential, and other risk features or exposures that need to be considered to develop a premium that is fair, adequate and not excessive for the individual insured. The minimum Self-Insured Retention Amount is \$50,000.

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(vi) Claims-made factors (Apply only to Coverage Forms GRSEO102 and GRSEO102R):

Years in Claims-made	Factor
1	0.85
2	0.90
3	0.95
4 or more	1.00

(vii) Coverage A Liability Manual Premium

Total Manual Premium = (i) × (ii) × [(iii) – ((iv) or (v))] × (vi) if applicable)

(3) Employment Practices (Coverage B)

(a) Basic Limits:

\$1,000,000 Aggregate

\$1,000,000 Each Employment Practices Offense

(b) The following annual premiums apply for Employment Practices (Coverage B):

(i) Rating Basis:

Full Time Equivalents (FTE):

Employee Type	(a) FTE factors	(b) Number of Employees	(c) Total (a)×(b)
Public Official	1.000		
Full-Time Paid Employee	1.000		
Part-Time Paid Employee	0.500		
Volunteer	0.025		
Total			

FTE Factors under (a) contemplate full year employment. For seasonal or part-year employment, the number in (b) may be adjusted to reflect a reduced exposure.

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(ii) Base Rates:

Class 1: Cities, Towns, Townships, Villages and Boroughs

Class 2: Counties

Class 3: Special Districts

Class	Basis	Terr	Each of First 25	Each of Next 25	Each of Next 50	Each of Next 150	Each of Next 250	Each of Next 500
1	Claims-Made	031	82	80	78	71	59	46
2	Claims-Made	031	64	62	61	55	45	36
3	Claims-Made	031	33	32	32	29	24	19
1	Occurrence	031	87	85	83	75	62	49
2	Occurrence	031	68	66	64	58	48	38
3	Occurrence	031	35	34	34	31	25	20

(iii) Increased Limits Factors:

Each Wrongful Act	Policy Aggregate \$1,000,000	Policy Aggregate \$2,000,000	Policy Aggregate \$3,000,000	Policy Aggregate \$4,000,000	Policy Aggregate \$5,000,000
\$300,000	0.891				
\$500,000	0.906				
\$1,000,000	1.000	1.022	1.031	1.040	1.049
\$2,000,000		1.371	1.380	1.389	1.407
\$3,000,000			1.606	1.615	1.624
\$4,000,000				1.776	1.785
\$5,000,000					1.908

Factors for any limit not shown may be interpolated using industry standard methods.
 Factors for limits above \$5,000,000 are refer to company.

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PROFESSIONAL LIABILITY COVERAGE DIVISION – GRS SUPPLEMENT

(iv) Deductible Factors (Forms GRSEO101 and GRSEO102 only):

Employment Practices Deductible Amount	Loss & Loss Expense	Loss Only (Requires Endorsement GRSEO403)
0	-0.150	-0.200
\$5,000	0.000	-0.050
\$10,000	0.040	-0.010
\$15,000	0.070	0.020
\$20,000	0.100	0.050
\$25,000	0.180	0.130
>\$25,000	Refer to Company	Refer to Company

Factors for any deductible not shown may be interpolated using industry standard methods.

Factors for deductibles in excess of \$25,000 and aggregate deductibles are determined on an individual risk basis as mutually agreed upon between insured and company. Premium determination will be based on individual account loss experience, catastrophic loss potential, and other risk features or exposures that need to be considered to develop a premium that is fair, adequate and not excessive for the individual insured.

(v) Self-Insured Retention Factors (Forms GRSEO101R and GRSEO102R only):

Law Enforcement Wrongful Act Retention Amount	
= or > \$50,000	Refer to Company

All Self-Insured Retention factors and factors for Aggregate Self-Insured Retentions are determined on an individual risk basis as mutually agreed upon between insured and company. Premium determination will be based on individual account loss experience, catastrophic loss potential, and other risk features or exposures that need to be considered to develop a premium that is fair, adequate and not excessive for the individual insured. The minimum Self-Insured Retention Amount is \$50,000.

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(vi) Claims-Made Factors (Apply only to Coverage Forms GRSEO102 and GRSEO102R):

Years in Claims-made	Factor
1	0.85
2	0.90
3	0.95
4 or more	1.00

(vii) Coverage B Liability Manual Premium

Total Manual Premium = (i) × (ii) × [(iii) – ((iv) - (v))] × (vi) if applicable)

(4) Employee Benefit Administration (Coverage C)

Steps (3)(b)(i) through (3)(b)(vi) are incorporated herein.

(vii) Coverage B Liability Manual Premium

Total Manual Premium = 2% × [Larger of 100 or (i)(c)] × (ii) × [(iii) – ((iv) or (v))] × (vi) if applicable)

Limits of Insurance or Deductible/Retention Amount selected for Coverage B will apply to Coverage C. Coverage C may be provided without Coverage B. If so, calculate Coverage B premium only to develop the Coverage C premium.

(5) Public Officials Liability Manual Premium

Total Manual Premium = (2)(b)(vii) + (3)(b)(vii) + (4)(vii)

(6) Schedule Rating Modification Factor

See separate schedule rating plan

(7) Total Annual Public Officials Liability Premium

(5) × (6)

Premium in (7) may be reduced when commission for a particular risk is lower than contemplated in our base rates. Under such circumstances, the premium shall be multiplied by $(1 - \text{standard commission}) \div (1 - \text{granted commission})$.

(8) Minimum Premium

Premium in (7) is subject to the following minimum premium: \$1,000

(Note: minimum premium is subject to pro-rating for other than annual policy terms)

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(9) Extended Reporting Period

An extended reporting period endorsement (GRSEO402) will be offered in the following situations:

- (a) In the event we reduce coverage in any way on a claims-made policy.
- (b) In the event of cancellation or non-renewal of a claims-made policy.

Two (2) Year Extended Reporting Period: 50% to 100% of expiring annual premium.

Five (5) Year Extended Reporting Period: 150% to 200% of expiring annual premium.

D. Large Risks

For eligible large risks, the premium may be determined on an individual risk basis as mutually agreed upon between insured and company. Premium determination will be based on individual account loss experience, catastrophic loss potential, and other risk features or exposures that need to be considered to develop a premium that is fair, adequate and not excessive for the individual insured.

Eligible large risks include:

- (1) Risks electing limits of at least \$500,000/\$1,000,000 and developing a manual annual premium of \$100,000 or greater; or
- (2) Risks that possess characteristics or features that demonstrate the risk is large enough to self-rate.

E. Mandatory Endorsements

The following endorsements shall be applied to every policy

- Arkansas Changes Cancellation and Nonrenewal (GRSEOAR01)
- Arkansas Changes Transfer of Rights (GRSEOAR02)
- Arkansas Changes Protection of Immunity (GRSEOAR03)

F. Optional Endorsements

- (1) Exclusion – Wrongful Acts Coverage (GRSEO200) – this endorsement may be used to exclude Coverage A Wrongful Acts when such coverage is purchased elsewhere. Wrongful Acts charge in section C(2) of the rating rules will not apply.
- (2) Exclusion - Employment Practices (GRSEO201) – this endorsement may be used to exclude Coverage B Employment Practices when such coverage is purchased elsewhere. Employment Practices charge in section C(3) of the rating rules will not apply.
- (3) Exclusion – Employee Benefits Administration (GRSEO202) – this endorsement may be used to exclude Coverage C Employee Benefit Administration when such coverage is purchased

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elsewhere. Employee Benefits Administration charge in section C(4) of the rating rules will not apply.

- (4) Exclusion of Specified Items (GRSEO203) – this endorsement is used to exclude coverage for specified items as described in the endorsement.
- (5) Exclusion of Designated Premises or Operations (GRSEO204) – this endorsement is used to exclude coverage for designated premises or operations as described in the endorsement.
- (6) Exclusion of Lead Hazard (GRSEO205) – this endorsement is used to exclude coverage for lead hazards as described in the endorsement.
- (7) Additional Insured – Designated Person or Organization (GRSEO301) – this endorsement is used to amend the Who Is An Insured provision to include a person or organization as named in the endorsement.
- (8) Limitation of Coverage to Designated Premises or Operations (GRSE400) -- this endorsement is used to limit coverage to designated operations or at designated premises when only part of a larger operation is to be insured.
- (9) Inverse Condemnation Exceptions (GRSEO401) – this endorsement may be used to extend coverage to inverse condemnation exposures.
- (10) Supplemental Extended Reporting Period (GRSEO402) – this endorsement is used to schedule extended reporting provisions. Refer to the rating rules for charge.
- (11) Deductible Liability (GRSEO403) – this endorsement is used to provide liability deductibles that apply on a “loss only” basis.

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G. PUBLIC OFFICIALS ERRORS AND OMISSIONS LIABILITY SCHEDULE RATING PLAN (55% maximum credit or debit)

CRITERIA	CREDIT %	DEBIT %	RISK CHARACTERISTICS / SOURCE OF INFORMATION
Charter – complex multi-department entities; basic single purpose entities (15% credit to 15% debit)			
Services Provided – limited services; high hazard services (10% credit to 10% debit)			
Financial Management – chronic deficits or extensive debt financing; dedicated or fee-based funding (10% credit to 10% debit)			
Training – with or without informal/formal training (10% credit to 10% debit)			
Staffing – large part-time staff; amount of turnover (10% credit to 10% debit)			
TOTAL			
NET CREDIT OR DEBIT			